

Amendment No. 4 to SB1924

**Tate
Signature of Sponsor**

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

AMEND Senate Bill No. 1924*

House Bill No. 1692

by deleting all language after the enacting clause and inserting the following:

SECTION 1. Tennessee Code Annotated Section 7-53-101(11) is amended by adding the following paragraph as a new paragraph (E):

(E) A tourism attraction involving an aggregate investment of public and private funds in excess of two hundred million dollars (\$200,000,000) that is designed to attract tourists to the State of Tennessee, including a cultural or historical site, a museum or visitors center, a recreation or entertainment facility, and all related hotel or hotels, convention center facilities, administrative facilities and offices, mixed use facilities, restaurants and other tourism amenities constructed or acquired as a part of such attraction.

SECTION 2. Tennessee Code Annotated, Section 7-53-302(a)(4), is amended by deleting the semi-colon and inserting the following language at the end of such subsection:

nor shall this proviso apply to any hotel or hotels, and related conference, mixed use or convention center facilities, if any, constructed in connection with a project or series of related projects involving an aggregate investment of public and private funds in excess of two hundred million dollars (\$200,000,000);

SECTION 3. Tennessee Code Annotated Section 7-88-103(7) is hereby deleted in its entirety and the following substituted therefor:

(7) "Qualified public use facility" includes

(A) Any building, complex, center, facility or any two (2) adjacent buildings, complexes, centers or facilities containing at least two hundred fifty thousand (250,000) square feet, in the aggregate, inclusive of exhibit halls, ballrooms, meeting rooms, lobbies, corridors, seating areas, service

areas and other building areas or areas enclosed thereby, constructed, leased, equipped, renovated, acquired or expanded after January 1, 1998, as a project meeting the requirements of Title 9, Chapter 21, Title 12, Chapter 10 or Title 7, Chapter 53 by a public authority or municipality for purpose of furnishing economic development centers, renovated or new or expanded community facilities for conventions, meetings, exhibitions, trade shows, sports events or other events for educational, entertainment, business, association, cultural, public interest, public service and common interest groups, organizations and entities and that requires:

(1) On or after January 1, 1998, a local investment of public funds in excess of seventy-five million dollars (\$75,000,000), and is reasonably anticipated to attract private investment in the tourism development zone of more than fifty million dollars (\$50,000,000) after such date; or

(2) On or after January 1, 2007, a local investment of public or private funds of not less than two hundred million dollars (\$200,000,000);

(B) Any privately owned or operated amusement or theme park that involves an investment of funds of more than one hundred million dollars (\$100,000,000); or

(C) Any privately owned or operated tourism attraction involving an aggregate investment of public and private funds in excess of two hundred million dollars (\$200,000,000) that is designed to attract tourists to the state of Tennessee, including a cultural or historical site, a museum or visitors center, a recreation or entertainment facility, and all related hotel or hotels, convention center facilities, administrative facilities and offices, mixed use facilities,

restaurants and other tourism amenities constructed or acquired as a part of such attraction.

"Qualified public use facility" also includes "qualified associated development". An investment in qualified public use facilities required by a lease from a municipality shall be considered a local investment of public funds for the purposes of this chapter.

SECTION 4. Tennessee Code Annotated, Section 7-88-106(a), is amended by inserting the following language at the end of the first sentence thereof:

Provided however, that with respect to any facility that elects to qualify as a qualified public use facility under subsection (B) or (C) of Section 7-88-103(7) as amended by Section 3 of this Act, only the portion of the incremental increase in the local sales and use tax revenue as shall be designated by resolution of such municipality shall be so apportioned and distributed under the provisions of this section, unless such municipality designates by resolution a lesser time period for the apportionment and distribution of such revenues; and in the event one or more other local taxes are authorized for use within the tourist development zone, then such portion of such additional taxes as shall be designated by resolution of such municipality shall be similarly apportioned and distributed. For any facility that elects to qualify as a qualified public use facility under subsection (B) or (C) of Section 7-88-103(7) as amended by Section 3 of this Act, the portion of the incremental increase in the local sales and use tax revenue that is statutorily designated for local schools may not be apportioned and distributed for such a qualified public use facility.

SECTION 5. Tennessee Code Annotated, Section 7-88-106 is amended by replacing the last sentence of subsection (b) with the following:

Notwithstanding the provisions of this subsection (b), a municipality in a county having a population of more than five hundred thousand (500,000), according to the 2000 federal census or any subsequent federal census, shall not be limited to

one (1) tourism development zone eligible to receive a distribution of tax revenue, and such a municipality is not required to designate additional tourism development zones as a secondary tourism development zone to receive a distribution of tax revenue.

SECTION 6. Tennessee Code Annotated, Title 7, Chapter 88, Part 1, is amended by adding new appropriately designated sections, as follows:

Section ___. A qualified public use facility shall be deemed to be within the term "project" as that term is defined in § 7-53-101(11). In addition to the powers under Title 7, Chapter 53, any local government having jurisdiction over any part of a qualified public use facility is authorized to use tax increment financing for such project costs in § 7-88-103(3) pursuant to § 13-20-205.

Section ___. The provisions of this part shall only apply to tourism development zones which, as of the date of enactment of this act, either have already been approved by the state or for which a letter of intent has been filed with the commissioner of finance and administration.

Section ___. The comptroller of the treasury and the commissioner of revenue shall jointly monitor and evaluate the economic impact and fiscal effect of the "Convention Center and Tourism Development Financing Act of 1998", as amended, and shall submit a written report of findings and recommendations no later than February 1, 2009. The report shall be delivered to the speaker of the senate; the speaker of the house of representatives; the chair of the finance, ways and means committee of the senate; and the chair of the finance, ways and means committee of the house of representatives.

SECTION 7. Tennessee Code Annotated, Title 7, Chapter 88, Part 1, is amended by adding a new appropriately designated sections, as follows:

Section ___.

(a) For the purposes of this section, unless the context otherwise requires:

(1) "Covered qualified public use facility" means a qualified public use facility that elects to qualify as a qualified public use facility under subsection (B) or (C) of Section 7-88-103(7) as amended by Section 3 of this Act;

(2) "Local government" means a municipality that creates a tourism development zone for the benefit of a covered qualified public use facility;

(3) "Minority owned business" means a business that is solely owned, or at least fifty-one percent (51 %) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls the daily operations of such business and who is impeded from normal entry into the economic mainstream because of:

(A) Past practices of discrimination based on race, religion, ethnic background, or sex;

(B) A disability as defined in §4-26-102; or

(C) Past practices of racial discrimination against African-Americans; and

(4) "Person" means any individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons.

(b) Any person, in soliciting bids for the construction of a covered qualified public use facility in a tourist development zone within the territory of a local government and receiving any benefit, directly or indirectly, from public financing pursuant to the provisions of this act, shall actively solicit bids from minority owned businesses. Such person shall strive to maximize participation of minority owned businesses through both prime and second tier business contracting opportunities.

(c)

(1) The local government shall monitor the results of minority owned business participation. Such local government shall periodically investigate to ascertain whether minority owned business participation is being achieved at a level contemplated pursuant to subsection (b) of this Section and shall report such information to the comptroller of the treasury in the manner proscribed in subdivision (2) of this subsection.

(2) The local government shall prepare and submit an annual report entitled "The Conference and Convention Center Facilities Compliance Report" which shall be submitted to the comptroller of the treasury. Such report shall include:

(A) Data on the race, religion, ethnic background and sex of each person employed in the construction of a covered qualified public use facility that is located within the territory of the local government and that receives any benefit, directly or indirectly, from public financing pursuant to the provisions of this act;

(B) Data on the actual expenditures to minority owned businesses employed in the construction of any such qualified public use facility; and

(C) Data summarizing the findings of all periodic investigations conducted in accordance with subdivisions (1) of this subsection.

(3) The comptroller of the treasury shall, upon receipt of the report from the local government, transmit a synopsis of the report to the chairs and membership of the senate and house state and local government committees.

SECTION 8. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or

applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 9. This Act shall take effect upon becoming a law, the public welfare requiring it.